

**A RESOLUTION AS AMENDED
BY PUBLIC SAFETY**

03-R-0035

A RESOLUTION AUTHORIZING THE CITY ATTORNEY TO EXECUTE A RETAINER AGREEMENT WITH THE LAW FIRM OF SUTHERLAND ASBILL & BRENNAN, LLC TO SERVE AS OUTSIDE COUNSEL TO THE CITY OF ATLANTA IN CONNECTION WITH LEGAL MATTERS RELATED TO THE 20-YEAR OPERATIONS AND MAINTENANCE AGREEMENT WITH UNITED WATER SERVICES UNLIMITED ATLANTA, LLC; TO AUTHORIZE EXPENDITURES FOR THAT PURPOSE IN AN AMOUNT NOT TO EXCEED \$200,000; AND FOR OTHER PURPOSES.

Whereas, on December 24, 1998, the City of Atlanta entered into a 20-year Operations and Maintenance Agreement with United Water Services Unlimited Atlanta, LLC ("UWSA"); and

Whereas, pursuant to that Agreement (FC-6946-98), the City of Atlanta agreed to pay UWSA the amount of \$21,400,000.00 per year to operate and manage the City's drinking water system; and

Whereas, on June 10, 2002, and July 29, 2002, the City forwarded notices to UWSA such set forth a multitude of defaults under the agreement; and

Whereas, there remain outstanding performance issues related to the UWSA Contract which require intense supervision and legal analysis by the City Attorney and her staff in order to protect the City's position in this transaction; and

Whereas, the City Attorney has determined that additional particularized expertise and resources are needed to properly advance the interests of the City of Atlanta in this dispute; and

Whereas, the City Attorney has determined that the law firm of Sutherland Asbill & Brennan, LLC has both the specialized practice skills as well as the

considerable legal resources necessary to augment the expertise in the City Law Department.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY RESOLVES that the City Attorney be and is authorized to retain the law firm of Sutherland Asbill & Brennan, LLC to serve as outside counsel to the City Attorney on legal matters related to the 20-year Operations and Maintenance Agreement with United Water Services Unlimited Atlanta, LLC ("UWSA").

BE IT FURTHER RESOLVED that the City Attorney be and is hereby authorized to incur legal fees, costs and expenses related to this matter in an amount not to exceed \$200,000.

BE IT FINALLY RESOLVED that the Chief Financial Officer is hereby authorized to remit payment of all legal fees, expenses and costs due for legal services rendered by the law firm of Sutherland Asbill & Brennan, LLC in connection with forgoing matters, once approved for payment by the City Attorney, in an amount not to exceed \$200,000.00 to be paid from Fund Account and Center Number 2501 524001 H11001

TRANSMITTAL FORM FOR LEGISLATION

To Mayor's Office: Greg Pridgeon, Mayor's Office
(for review & distribution to Executive Management)

Commissioner Signature: Linda K. Disantis Director Signature: N/A

From Originating Dept.: LAW Contact Name: LINDA K. DISANTIS

Committee of Purview: PUBLIC SAFETY Committee Deadline: JANUARY 6, 2003

Committee Meeting Date: JANUARY 14, 2003 City Council Meeting Date: JAN. 21, 2003

CAPTION

A RESOLUTION AUTHORIZING THE CITY ATTORNEY TO EXECUTE A RETAINER AGREEMENT WITH THE LAW FIRM OF SUTHERLAND ASBILL & BRENNAN, LLC TO SERVE AS OUTSIDE COUNSEL TO THE CITY OF ATLANTA IN CONNECTION WITH LEGAL MATTERS RELATED TO THE 20-YEAR OPERATIONS AND MAINTENANCE AGREEMENT WITH UNITED WATER SERVICES UNLIMITED ATLANTA, LLC; TO AUTHORIZE EXPENDITURES FOR THAT PURPOSE IN AN AMOUNT NOT TO EXCEED \$200,000; AND FOR OTHER PURPOSES.

BACKGROUND/PURPOSE/DISCUSSION: Legislation authorizing engagement of outside counsel to assist in review and handling of United Water contract.

FINANCIAL IMPACT (if any): \$200,000

OTHER DEPARTMENT(S) IMPACTED: Watershed

COORDINATED REVIEW WITH: Jack Ravan

Mayor's Staff Only

Received by Mayor's Office: 1/10/03 Date
Reviewed By: JS Initials Date

Submitted to Council: _____
Date

Action by Committee: _____ Approved _____ Adverse _____ Held
_____ Amended _____ Substitute _____ Referred
_____ Other